IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE S.SIRI JAGAN

TUESDAY, THE 27TH MARCH 2007 / 6TH CHAITHRA 1929

WP(C).No. 10516 of 2007(B)

PETITIONER:

SHIBU M.K,AGED 40 YEARS,S/O.KARTHIKEYAN,
MULLAPPILLIL HOUSE,THIRUVAMKULAM,ERNAKULAM DIST.

BY ADV. SRI.PEEYUS A.KOTTAM.

RESPONDENTS:
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1. **SPECIAL SALE OFFICER,PEOPLES URBAN CO-OP,**
   BANK GROUP,OFFICE OF THE ASST.REGISTRAR OF CO-OP.
   SOCIETY (GENERAL),KANAYANNOOR.

2. **PEOPLES URBAN CO-OPERATIVE BANK LTD,**
   NO.51,THIRUVANKULAM BRANCH REPRESENTED BY ITS
   SECRETARY.

BY SR. GOVT. PLEADER SRI. P.N. SANTHOSH,
ADV. SRI. T.A. RAJAN, SC.

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 27/03/2007,THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

S. SIRI JAGAN, J.

WP(C) NO. 10516 OF 2007 - B

Dated this the 27th day of March, 2007

J U D G M E N T

The petitioner is a defaulter in payment of loan amounts due to the second respondent-Bank. The Bank has initiated coercive proceedings for recovery of the amounts due. The petitioner's claim in this writ petition is that in view of Ext.P3 circular, the petitioner is entitled to the benefit of one time settlement and he seeks a direction to the second respondent-Bank to consider his claim for one time settlement.

2. However, the learned Standing Counsel appearing for the second respondent-Bank submits that Ext.P3 Circular can no more be applied in view of the Division Bench decision of this Court which held that the Registrar has no power to issue such circulars in respect of financial transaction of the Bank with its borrowers. However, the counsel submits that they are willing to grant whatever concessions the Bank can give to the petitioner within their powers such as waiver of penal interest etc. In the above circumstances, the writ petition is disposed of on the following terms:-

The petitioner undertakes to pay the entire amounts due on or before 31st March, 2007. In the above circumstances, there would be a direction to the second respondent-Bank not to proceed with the coercive recovery proceedings till 31.3.2007. The petitioner shall approach the Bank who shall inform the petitioner as to the amounts he has to pay after permissible deductions as agreed by counsel for the Bank as above. If the petitioner does not pay the amount on or before 31.3.2007, it would be open to the Bank to continue the recovery proceedings initiated without having to issue any fresh notice or proceedings in that regard, if such proceedings have been initiated.

S. SIRI JAGAN,
Judge

Mbs/

K.THANKAPPAN, J

Crl.Appeal NO. OF 2001

J U D G M E N T

DATED:13-02-2007